



Signed and Filed: August 2, 2023

Dennis Montali

DENNIS MONTALI
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

In re:) Bankruptcy Case
PG&E CORPORATION,) No. 19-30088-DM
- and -) Chapter 11
PACIFIC GAS AND ELECTRIC COMPANY,) Jointly Administered
Reorganized Debtors.)
☐ Affects PG&E Corporation)
☐ Affects Pacific Gas and)
Electric Company)
☒ Affects both Debtors)
* All papers shall be filed in)
the Lead Case, No. 19-30088 (DM).)

ORDER DENYING MOTION TO ALLOW LATE CLAIMS

I. Introduction

On July 12, 2023, Movants filed the *Motion to Allow/Deem Timely Late Filing of Proof of Claim by Agustin Aguilera Orozco, Araceli Hernandez, Sarahi Aguilera, Jacqueline Aguilera, Braulio Aguilera, and Socorro Orozco; Memorandum of Points and*

1 *Authorities; Declaration of Agustin Aguilera Orozco in Support*
2 (*"Late Claim Motion"*) (Dkt. 13886). On July 25, 2023, Cathy
3 Yanni, in her capacity as the Fire Victim Trustee (*"Trustee"*),
4 filed an Objection to the Late Claim Motion (Dkt. 13917). No
5 hearing on the Late Claim Motion has been scheduled.

6 For the reasons explained below, the court sustains the
7 Trustee's Objection and denies the Late Claim Motion.

8 **II. Discussion**

9 A bankruptcy court may, on motion of a claimant filed after
10 the applicable deadline, deem a late claim to be timely filed if
11 the delay "was the result of excusable neglect." Fed. R. Bankr.
12 Pro. 9006(b)(1). The decision regarding whether a late claim
13 was the result of excusable neglect "is at bottom an equitable
14 one, taking account of all relevant circumstances surrounding
15 the party's omission." *Pioneer Inv. Services Co. v. Brunswick*
16 *Associates Ltd. Partnership*, 507 U.S. 380, 395 (1993).
17 Circumstances include "the danger of prejudice to the debtor,
18 the length of the delay and its potential impact on judicial
19 proceedings, the reason for the delay, including whether it was
20 within the reasonable control of the movant, and whether the
21 movant acted in good faith." *Id.* The court may weigh each these
22 factors in its discretion.

23 Neither the Trustee nor the court doubt the Movants' good
24 faith. The court considers the remaining *Pioneer* factors below
25 and incorporates in this Order its reasoning from its previous
26 Orders Denying Motions to File Late Claims (Dkts. 13377, 13490,
27 13691) (*"Orders Denying Motions"*).

1 First, the court finds that granting the Late Claim Motion
2 would prejudice the FVT.¹ According to the Trustee, the FVT
3 simply is not fully funded, the stock contributed to the FVT by
4 the Debtors is not performing as well as expected (despite
5 recent increases in value), and there may not be enough money in
6 the Trust to administer 100% payments to Wildfire Claimants who
7 timely filed proofs of claim, let alone those, such a Movants,
8 requesting to have their late claims deemed timely now. The FVT
9 may also be prejudiced by the additional expenditures of time
10 and effort required of the FVT and its administrators to
11 recalculate the projections and calculations made to ensure an
12 equal pro rata distribution to all Wildfire Claimants, including
13 those already partially paid. Taking the Late Claim Motion in
14 aggregate with the large number of similar motions made in the
15 past, and may be made in the future, the impact on
16 administration is more than *de minimis* and would prejudice the
17 FVT.

18 Next, the court finds that the Movants have not described
19 circumstances that would explain why the failure to file a claim
20 for over three and a half years constitutes excusable neglect.
21 The Movants acknowledge both notice of the Debtors' bankruptcy
22 and Claims Bar Dates. Instead, the Movants argue that the
23

24 ¹ The Late Claim Motion focuses only on the potential prejudice
25 to the Debtors. The FVT is the representative of each of the
26 Debtors' estates regarding administering, objecting to, and
27 settling the claims of Wildfire Claimants pursuant to the
28 Paragraph 18(e)(iii) of the court's Confirmation Order (Dkt.
8053) and is thus the proper party to consider regarding
prejudice under the *Pioneer* factors.

1 stress of displacement, a language barrier, and most of all,
2 reliance on incorrect information from friends all amount to
3 excusable neglect.

4 The court reiterates, as it explained in its prior Orders
5 Denying Motions, that the Debtors engaged in a comprehensive
6 campaign to provide notice to Wildfire Claimants in the North
7 Bay, California, and across the United States in both English
8 and Spanish (the primary language of Movants). The Debtors
9 could not control whether Movants chose not to believe or to
10 heed those notices, nor was it the Debtors' duty to ensure every
11 known and unknown Wildfire Claimant's full understanding of
12 every type of injury that could be compensated via the proof of
13 claim process. It also does not appear there was a widespread
14 misunderstanding regarding what types of injury could be
15 compensated via a proof of claim: every type of injury described
16 in the Late Claim Motion is listed as a checkbox on the Proof of
17 Claim form for Wildfire Claimants, and all were listed as
18 injuries by Wildfire Claimants of all ages who timely filed
19 proofs of claim.

20 **III. Conclusion**

21 For the reasons stated above the court hereby SUSTAINS the
22 Trustee's Objection and DENIES the Late Claim Motion. The
23 Proofs of Claim associated with the Late Claim Motion shall not
24 be deemed timely filed and are thus disallowed.

25 ****END OF ORDER****

COURT SERVICE LIST

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